

ID: CCA_2021112317420304

[Third Party Communication:

UILC: 6511.00-00, 6601.00-00,
6201.00-00

Date of Communication: Month DD, YYYY]

Number: **202208016**

Release Date: 2/25/2022

From: [REDACTED]

Sent: Tuesday, November 23, 2021 5:42:03 PM

To: [REDACTED]

Cc: [REDACTED]

Bcc:

Subject: follow-up on restitution case we have been discussing

You may recall that we held a conference call on October 21st to discuss restitution based assessment, interest, and section 6511 in a TAS case. Thanks for your patience. My colleagues in CC:PA have spent a great deal of time looking at the facts in this case, and have provided their views below, which you will likely need to share with the IRS in order to get payments moved from excess collection. Please let me know if you have any questions or need anything further.

– please post in POSTN-112106-21, Restitution and Section 6511. Thanks.

From:

Sent: Monday, November 22, 2021 2:13 PM

To:

Cc:

Subject: RE: Account Transcripts/Balances Due

Good afternoon ,

Thank you for sending the additional cases highlighted by TAS. As with Taylor, we do not see these cases as particularly relevant to the precise issue here. These cases do not cover interest or abatements, and, like Taylor, we do not see how they have any effect on what is a section 6601 and section 6511 issue, or

provide reason as to why the statute of limitations for recovery of erroneously assessed interest would be set by Title 18 instead of Title 26.

However, based on the documents and emails you sent us, it does appear that for the _____ and _____ tax years, the Service sent payments to excess collections. Section 6511 is not relevant when discussing underpayments and overpayments for the same tax year. It is not certain why the _____ payments were placed in excess collection. The _____ payments/credits should not have been placed in excess collection if a liability is still reflected as unpaid for the _____ tax period, and the same applies for _____. Moreover, if the amount sent to excess collections for that specific tax period should have been applied to an accruing penalty for the same tax period, then the penalty should have been satisfied as of the date the payment was sent to excess collections to prevent any further accrual.

Here, the relevant numbers and dates are as follows:

tax period:

tax period:

The account transcripts show for _____, _____, and for _____, _____. Therefore, in both years, the unpaid balance appears to be less than the amount in excess collections for each year. Based on the transcripts, there do not appear to be any penalty accruals due, but I nonetheless wanted to raise this issue just in case there is something we are missing, since TAS is more familiar with the facts of this matter. Regardless, the amount in excess collections should be applied to _____ in each of these periods. Please let me know if you have any questions.

Best,